Michael K. Powell Chairman Federal Communications Commission 445 12th Street. SW Washington DC 20544

Dear Chairman Powell,

I was struck by something you said in your remarks at the Broadband Technology Summit, U.S. Chamber of Commerce in Washington, D.C.

With reference to the powerful tools now available for information and communications, you said "...we must make every effort to embrace and advance the tools necessary to build information prowess among our citizens and our institutions."

I wholeheartedly agree. I do not, as some of my colleagues, believe that the so-called digital divide is about those in the lower economic strata not having computers. Where I believe the digital divide falls is not between the computer haves and have-nots, but rather between the computer "Knows," and "Know-nots." Building that "information prowess" you speak of is truly the greatest challenge we face in America today. Ands we must build it not only among current college or grade school youngsters. For we have an enormous population of those well out of school who must be brought along to this knowledge, or the revolution you hope for will never succeed.

It is for this reason that many of my colleagues and I in the PEG access field have begun diverting some of our local cable TV franchise fees -- particularly the high-speed cable modem portion of those fees -- toward Community Technology Centers applications. We offer our local residents free training in basic computing, both Mac and PC. We offer courses in how to navigate the web, and how to build a website. And we provide local community websites for people to build local information networks

These new community development projects were fiscally beyond our reach just a few short years ago, until local cable franchise fees began to rise as a result of the assessment of these fees on cable modem revenues.

This is why I have filed a comment critical of the FCC's "Initial Regulatory Flexibility Analysis" in the Notice of Proposed Rulemaking GN Docket No. 00-185 relative to the "Appropriate Regulatory Treatment For Broadband Access To The Internet Over Cable Facilities."

The Regulatory Flexibility Act of 1980 requires the Commission to consider the "possible significant economic impact on a substantial number of small entities by the policies and rules considered in the NPRM..." These "small entities" include "small organizations," and "small governmental jurisdictions." The de-classification of cable modem service from its current existence as a Cable TV service will cause significant, negative economic impact on small PEG access organizations and cities and towns across the country.

In the City where I am the Executive Director of a local PEG access corporation, our annual income will be reduced by as much as 28% next year alone if this change in cable modem regulation stands.

I urge the Commission to follow the IRFA requirement that it consider "(1)the establishment of differing compliance or reporting requirements...that take into account the resources available to small entities" -- namely small non-profit corporations such as mine, as well as local governments -- and consider "(4) an exemption from coverage of the rule, or any part thereof, for small entities." In this regard, the Commission could <u>permit</u> municipalities the collection of local cable franchise fees on cable modem revenue, while still considering cable modem service an interstate information service for the purpose of its nationwide regulatory needs.

Very truly yours, Paul D. Berg Executive Director Newton Communications Access Center, Inc. P. O. Box 610192, 90 Lincoln Street Newton, Massachusetts 02461-0192 617-965-7200, extension 17

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